

Mayor James says "binding arbitration is bankrupting the cities."



SHARPE JAMES

MAYOR

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07102

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Dear Editor:

As Mayor of the City of Newark, I am acutely aware of the adverse impact that compulsory binding arbitration is having upon our cities.

At a time when the federal government has all but abandoned the cities; when poverty plagues its residents; when a stagnant economy deprives a substantial segment of the population of their desire to work and pay their taxes; binding arbitration for public safety officers continued in an unabated rampage upon the cities' finances, threatening to finally bring the walls of municipal economic viability crumbling down.

We do not speak with disdain toward the need for a well-compensated public safety force. Indeed, public safety is a key concern for the residents of any large city. However, municipalities find their financial constraints to be constantly set aside by arbitrators in favor of the prevailing assumption that a police force will somehow perform in the best interest of the public when it is paid higher wages. The justification is then made simple for the acceptance of the police or fire union's higher offer.

In reality, the effect of this cyclical practice has been that state laws are working against the interests of the public.

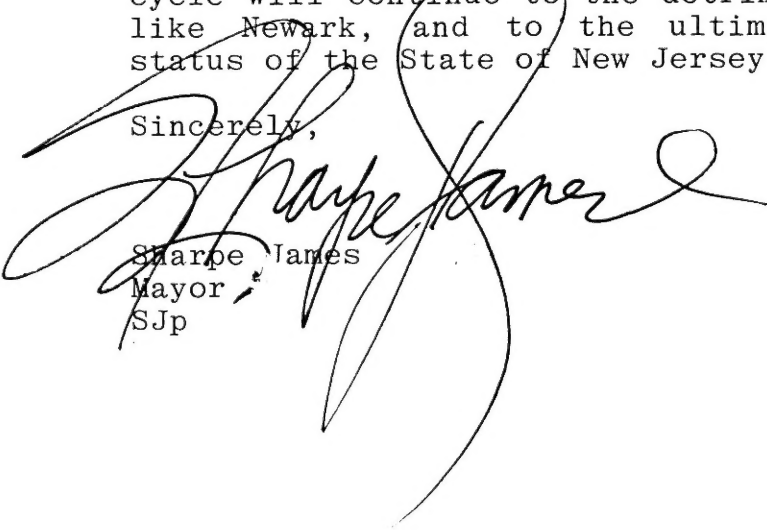
Arbitrators have not only been exceedingly generous with respect to active employees' salary and benefits, they have also routinely awarded costly lifetime retiree benefits which lock municipalities into long-term, escalating expenses for retirees who will undoubtedly increase their utilization of the health benefits as time goes on.

The public interest is seemingly ignored by the arbitrators as they continue to match awards in neighboring suburbs which command a fraction of the public safety personnel as larger cities and call them "**comparable**". Meanwhile, we admittedly need more police and fire personnel, but their cost is becoming prohibitive.

It is projected that if the present system continues without adjustment, a rank-and-file police officer at the top of his salary scale will command a base salary of nearly \$100,000 by the end of this decade. This places municipalities like Newark in an untenable position financially. What is worse, because of Civil Service regulations, we cannot require that these public safety officers hold a college degree in order to serve.

Clearly, this is a system which cries out for serious analysis and alteration. Otherwise, this spiraling, cost-generating cycle will continue to the detriment of the citizens of cities like Newark, and to the ultimate erosion of the economic status of the State of New Jersey.

Sincerely,



Sharpe, James
Mayor
SJP